



CALPEEK

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CAMPAIGN '98: PANETTA IN HOLDING PATTERN AS CHECCHI GETS READY TO MAKE HIS BIG "DEBUT."

Editor's note: Speculation among insiders continues to mount about the Demo 1998 primary campaign for governor. Here is *Calpeek's* update & analysis...

...Demo insiders continue to hash over the prospects of what's come to be known in *Calpeek* circles as the **Big 4**: U.S. Sen. Dianne Feinstein, Lt. Gov. Gray Davis, businessman Alfred Checchi and perhaps former White House COS Leon Panetta. There's no doubt where Davis is: he's running and reportedly has \$3-4 million in his warchest. Checchi is now actively exploring and gave his campaign \$3 million in seed money before Prop. 208 kicked in. The big mystery is DiFi. Will the senator jump in or stay out? It's close to a 45 - 45 split among our sources, with the remaining 10% just totally unsure of what she'll do. Our guess: she'll pass in '98...

...This brings us to Panetta. One camp believes he's dead in '98 because he's just too late in getting started. But would it have been appropriate for the President's COS to hold a fundraiser in DC before 208 kicked in? No way. And that brings us to the other camp, who believe that there's still enough time for Panetta to give a possible run some serious study. Right now he's off the political radar scope because he's packing up 20 years worth of stuff for his trip home to Carmel Valley. Once here, sources say he'll decompress for a month and then start looking. Where will he start? Probably with those Calif. Demos closest to President Bill Clinton and VP Al Gore. Then the DLC (Democratic Leadership Council/CA chapter). After that, perhaps the key Demo leaders in the emerging Silicon Valley PAC and close allies to one of his biggest Calif. boosters, U.S. Rep. Nancy Pelosi(SF)...

...Back to Checchi. Mark your calendars for 12 noon, Feb. 4th, Biltmore Hotel, L.A. Checchi delivers his

first major address to Town Hall of Calif. Our sources say his key advisors from the DC area will be on hand for *The Debut*. This speech is really critical. If he hits it just right, Davis and Panetta may have to make other plans. FYI: after *Calpeek's* deadline, Checchi was to have delivered a speech on Jan. 31st to the 15th annual CA Senate Fiscal Retreat at UC Berkeley. Not a bad way to meet some key Demo movers. Stay tuned...

PART 3: SAN DIEGO BACKS AWAY FROM STADIUM PACT, BUT SACTO MAY BE CLOSE TO KINGS DEAL.

Editor's note: In Part II, *Calpeek* put the emphasis on public attitudes toward public funding of sports facilities. In Part III we'll update what's happening in San Diego, S.F. and Sacramento. Here's our analysis...

...There's political uncertainty in San Diego over the future expansion of Jack Murphy Stadium. The instability is causing the NFL to have second thoughts about holding the Super Bowl in San Diego and the person on the political hot seat is SD Mayor Susan Golding --- whose own political future for '98 has been clouded by this whole mess...

...Opponents of the stadium deal have been trying to derail it for 2 years and now they appear closer to their goal. They took the original \$60 million revenue bond deal all the way to the CA Supreme Court - and lost, but when the council added \$18 million to the package late in 1996, opponents qualified a referendum. A judge (in about 2 weeks) will determine whether the referendum applies to the whole deal \$60 million + deal or just the additional bonds...

...At its meeting Jan. 28th, the council cancelled the recent \$18 million bond addition and agreed to a new deal which will be on the ballot this spring. Chargers Pres. Dean Spanos doesn't want to renegotiate, but

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probably doesn't have much choice. Bottomline: the battle lines are being drawn for the referendum...

...Watching carefully from the sidelines are the S.F. 49ers, who want to build a new stadium and retail complex in about 3 years. They've been working on a \$300 million revenue bond deal which could go on a June ballot. But some sources think the 49ers may wait to see what happens in San Diego before making any final decision. In any event, **Calpeek** sources note that revenue bond deals don't require a public vote, but if there is a vote, approval is by a simple majority...

...In Sacto, it appears that the city council and Kings owner Jim Thomas have worked out a new agreement. Instead of \$145 million in aid, the new deal will be a \$70 million loan (in the form of revenue bonds) -- for which Thomas will keep the Kings in Sacto, will give Arco Arena to the city at the end of 30 years and the city will get 43% of the net revenues from the arena. It's not a done deal just yet, but it's looking better...

...FYI: regarding the sale of the L.A. Dodgers. Joel Fox of the Howard Jarvis Taxpayers Assn. says that if you kill 1-mile of the MTA's subway project, L.A. City could buy the Dodgers. It costs about \$260 million per mile to tunnel. Good idea. Stay tuned...

CALPEEK'S LEGAL FILE: 208 LAWSUIT & GAMING.
Editor's note: Here's an update on some legal cases **Calpeek** has been following...

♦ **208 Supporters vs. FPPC** - It's a battle over soft money. On Jan. 21st, the FPPC ruled that unions, corporations, etc. could provide unlimited soft money to PACs --- to cover administrative costs (staff, rent, phones, attorney fees). But Californians for Political Reform Foundation (supporters of 208) say the limit is just \$500 per year, for each union, company, etc. CPRF says the FPPC's ruling has created a huge loophole. Solution: CPRF filed a lawsuit in Sacto Superior Court. The case has been assigned to Judge Cecily Bond (Dept. 45). FYI: the lawsuits against 208 by the GOP, Demos & unions are ready to go. More next week...

♦ **Casino Gaming Legal Action** - Remember Palm Springs developer Mark Bragg - the guy who tried to

qualify an initiative last year to permit slot machines and casino gaming in Calif.? After spending \$1.8 million, Bragg has filed for a demand for arbitration with Bozell Worldwide, parent company of the firm which handled the petition drive. According to Bragg, the contract had a guarantee for a specific validity rate on the signatures. Sacto-based American Petition Consultants handled the drive, but shortly after the qualification deadline, APC and Bozell mutually agreed to go their separate ways. APC is once again owned by Mike & Bill Arno. FYI: sources say Bragg has no problem with Arno -- his beef is with Bozell...

♦ **Baugh Case on Hold** - Should the Orange Co. DA's office be removed from the campaign reporting violation case against GOP Assemblyman Scott Baugh? That's a motion before a O.C. Muni judge --- but the DA doesn't think that any Orange County judge should be involved in this motion. It gets rather complex, but Baugh's attorneys want the case handled by the AG's office. Muni Judge Donna Crandall will hear from both side, as well as the AG's office, on March 7th. Stay tuned...

SPRING '97 ELECTIONS: CITY & COUNTY CONTESTS.
Editor's note: Here is Part III of **Calpeek's** continuing series on city & county Spring Elections. All these elections are set for Mar. 4th...

☒ **West Hollywood** - A correction from last week: consultants Larry Levine and Bob Stiens are working on John Duran's campaign --- not Parke Skelton...

☒ **Beverly Hills** - Candidates, as well as shoppers, know how to spend big bucks in this city. Incumbents Thomas Levyn and Vicki Reynolds are seeking reelection, but popular Councilman Allan Alexander is not. Four years ago, Reynolds spent close to \$90,000, but this year, under Prop. 208, she'll only raise and spend \$33,000. Former Councilman Max Salter is running, as is school board member William Egerman. And City Treasurer Joan Seidel faces a challenge from Arthur Kassel. Cmp. notes: Santa Monica-based Standard Communications is working for Reynolds...

☒ **Napa** - This city of 55,000 is one of the few cities in Northern Calif. holding a spring election. There's a 4-way battle for mayor, with the solid favorite being County Schools Supt. Ed Henderson. The job's open

because popular Mayor Ed Solomon was hit by a car and killed last September. Interim Mayor Brad Wagenknecht will run for his old council seat, while new Councilwoman Jill Techel will seek a full term. Incumbent Councilwoman Cindy Watter is retiring...

L.A. CITY ELECTION: CHARTER REFORM BATTLE.

Editor's note: Even though 112 people signed up by Jan. 27th to run for 15 spots on the L.A. City Charter Reform Commission, it will be an exercise in futility if voters reject the overall citywide measure to create this commission. Here's our update & analysis...

...While Mayor Richard Riordan and Sen. Tom Hayden trade shots (ditto with City Atty. Jim Hahn and rival Ted Stein), the focus of insider attention has shifted to the candidates who have signed up to run in the April 8th election for a charter reform panel. The 112 hopefuls will run in the 15 different council districts. Already there are two(2) competing slates of candidates: one group has backing from the mayor and another group has support from labor (read that as City Employees, Firefighters, Police Protective League and the SEIU). In addition, most councilmembers are backing their own candidates and some of the various home-owner associations may form their own slates...

...**Calpeek** sources don't expect that all 112 people who have signed up will necessarily file their nominating petitions by the Feb. 18th deadline...

...Why run for this commission? 1) some candidates are very serious about reforming the outdated 1925 charter; 2) perhaps some candidates don't think the city council-appointed charter commission will perform as well as an elected commission; and 3) clearly, some candidates hope to use the commission to push their own *political agendas*...

...Some of the better known candidates include: former Assemblymembers Paula Boland and Marguerite Archie-Hudson; community college trustees David Tokofsky and Gloria Romero; Anne Finn, widow of the late councilman Howard Finn; Dennis Zine, a Police Protective League official; Helen Bernstein, former head of UTLA; attorney/political activist Bob Burke; L.A. Co. Demo Party chair Garry Shay (who is also a West Hollywood Transportation Commissioner); Erwin

Chemerinsky of OJ legal talking head fame; city commissioner Larry Kosmont; labor leader Woody Fleming; public affairs exec. Maureen Kindel; and Janice Hahn, sister of the city attorney...

...FYI: the consultants who will make out like champs in this city election will be: a) those consultants who are *slate makers*; b) those consultants who represent groups of candidates. Consultant Steve Afriat, for example, is running campaigns for 6 commission hopefuls. Several sources think Afriat's group will eventually turn into "The Mayor's Slate," but that's not a given. Those represented by Afriat are: 2nd CD's Marvin Selter, 4th CD's Helen Bernstein, 9th CD's Christine Robert, 13th CD's Lorri Jean, 14th CD's Joe Legaspi and 15th CD's Jerry Gaines. Stay tuned...

CALPEEK'S INFOBAHN: POLITICAL SHORT TAKES.

Editor's note: Here are a few political items worth noting...

■ ***New Definition*** - Yes folks, that was **Calpeek's** Mel Horowitz's letter to the editor (L.A. Times 1/26) with a new definition for **GOP**: Gingrich Over Principle...

■ ***Riordan vs. Hayden Poll*** - While this data is limited to the 15th Council District in L.A. City (Harbor and San Pedro area), this poll taken for Councilman Rudy Svorinich shows incumbent Mayor Richard Riordan leading State Sen. Tom Hayden (D-West L.A.) by a margin of 53.0% to 15.3%, with 10.0% for other candidates in the race and 21.7% undecided. The poll was conducted by Arnold Steinberg, sample size 300 likely voters, Jan. 16-19. FYI: Interesting story by Patrick McGreevy in the *L.A. Daily News* about Hayden's campaign spending plans. According to the story, Hayden has written off \$1.25 million in debts (personal loans) from his past campaigns. Hayden's new plan for the '97 election cycle: raise \$1.2 million; receive \$667,000 in city matching funds; and give himself another loan of \$100,000 (he's already done this). That equals about \$2 million and Hayden says he can be competitive with this warchest. But some insiders doubt that Hayden can raise \$1.2 million. Why? It takes lots of time to raise that kind of money and Hayden's emphasis is on getting *free media*, not fundraising...

ANTONOVICH SPEAKS TO L.A. CURRENT AFFAIRS.

L.A. Co. Sup. Mike Antonovich will address the L.A. Current Affairs Forum, 11:30 a.m. reception, 12 noon lunch, Feb. 12, Hyatt Regency Hotel, L.A. For info ☎ Emma Schafer (213)627-7427...

MAYOR GOLDING AT WEST L.A. LINCOLN CLUB.

San Diego Mayor Susan Golding(R) will be the guest speaker at the West L.A. Lincoln Club, 6:30 p.m., Feb. 11. For info ☎ Sarah Kane (818)345-3210...

FULL METAL JACKET: GUN SALES DOWN BY 14% IN CALIF. STATE'S WAITING PERIOD IS SUCCESSFUL.

Editor's note: CA AG Dan Lungren(R) was in L.A. last week to release data about gun sales and Calif.'s version of the Brady Law. Here's our brief update...

...Sources generally agree that the market for rifles, shotguns and handguns is probably saturated, but nevertheless, the AG on Jan. 24th announced that gun sales in 1996 were down by 14%. Lungren called the trend *dramatic* because this is the *third year in a row* that gun sales have dropped. Last year some 353,872 individuals bought guns & rifles, compared to 642,197 in 1993...

...As for Calif.'s own version of the Brady Law, in 1996 there were 3,642 individuals (1% of all those trying to buy guns), who were stopped from purchasing guns because of Calif.'s law. Among those prevented from buying guns: 18 had homicide convictions; 4 were convicted kidnappers; 46 were convicted sex offenders; 43 were convicted robbers; and 1,616 had convictions for assault. In addition, some 438 were stopped from buying guns because of mental health problems. And 178 were stopped because they were under a restraining order (for spousal battery)...

...Lungren says that since he took office in 1991, the CA DOJ has conducted 3,056,450 background checks and stopped 32,405 individuals from buying guns. And under legislation sponsored by Lungren, the waiting period has dropped to 10 days (from the current 20 day wait for handguns and 15 day wait for rifles) because gun dealers now use a special kind of E-mail or can FAX the DROS (Dealer Record of Sales) info to the DOJ *instead of using the mail*...

NEW JOBS, ADDRESSES AND PERSONNEL NOTICES.

Editor's note: Here are some items to mark down in your notebook...

● David J. Butler takes over as editor of the L.A. Daily News. He comes to the Daily News from the New Haven Register, where he was editor...

● Kevin O'Brien, vp/gm of KTVU-TV in Oakland, is the president-elect of the CA Broadcasters Assn. He takes office in July...

● Former HUD Sec. Henry Cisneros is named president of L.A.-based Univision Communications, Inc., the largest Spanish-language tv net in the U.S...

● Sacto-based PR/communications pro Ron Gray is the new director of communications for Assembly Speaker Cruz Bustamante...

● Joan Pollitt is the new executive director of Consumer Attorneys of Calif. Prior to this new job, she was the director/treasurer of ATLA...

● Pollster Lisa Donovan Grove has opened her own polling firm - LDG Insights, 2743 NE 20th Ave., Portland, OR 97212, ☎(503)284-9007. She does business in CA and was with the Mellman Group...

● Name change: Add Natalie Blanning's name to the marquee of over the door at David Gilliard's political consulting firm. It's now *Gilliard, Blanning & Assoc...*

● New address: San Diego-based Statecraft, Inc. has a new home: 8618 Nottingham Place, La Jolla, CA 92037. Same ☎...

CALPEEK'S MARKETPLACE NETWORK

● **Calif. Retailers Association** has a F/T Receptionist/Legislative Secretary position available. Salary/benefits commensurate with experience. WP6.1 or MS Word required. Contact Bill Dombrowski at (916)443-1975...

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